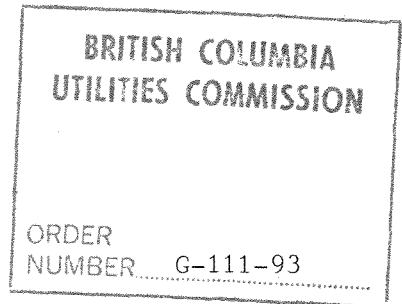




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AN ORDER IN THE MATTER OF the Utilities Commission
Act, S.B.C. 1980, c. 60, as amended

and

An Application by Pacific Northern Gas Ltd.

BEFORE: M.K. Jaccard, Chairperson; and)
K.L. Hall, Commissioner) November 10, 1993

O R D E R

WHEREAS:


- A. On November 3, 1993 Pacific Northern Gas Ltd. ("PNG") applied to the Commission for approval to pass-through an increase in its cost of gas from its suppliers effective November 1, 1993; and
- B. The 1993/94 gas price increases effective November 1, 1993 are being negotiated and are expected to average \$0.25/GJ; and
- C. PNG also requested Commission approval of a total price increase of \$.38/GJ to send an appropriate price signal to its customers in anticipation of an increase in the price of natural gas with CanWest Gas Supply Inc. for 1994/95 gas contract year and;
- D. The Commission has reviewed the application and is satisfied that a pass-through of increased 1993/94 gas supply costs to customers is in the public interest.

NOW THEREFORE the Commission orders as follows:

- 1. The Commission approves for PNG a pass-through of an increase in gas supply costs of \$0.25/GJ to all applicable customers rates effective November 1, 1993.
- 2. The Commission approves for PNG the use of a deferral account to record the difference between the final approved 1993/94 gas supply costs and the \$0.25/GJ increase approved by this Order. The deferral account balance will be allowed to attract interest at the average prime rate of PNG's principal bank and the Commission will consider the disposition of the amount accumulated in the account at a later date.
- 3. The Commission denies PNG's request to pre-collect an expected November 1, 1994 gas price increase.
- 4. PNG, by way of customer notice, is to inform all affected customers of the increase in gas supply costs effective November 1, 1993.

DATED at the City of Vancouver, in the Province of British Columbia, this 15th day of November, 1993.

BY ORDER


Dr. Mark K. Jaccard
Chairperson